GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:3883
ANSWERED ON:17.08.2000
POWER CRISIS IN ASSAM
MONI KUMAR SUBBA

Will the Minister of POWER be pleased to state:

(a) whether the Assam Government had sought Central intervention to help to resolve the power crisis in Assam in the face of threat from the North-East Electric Power Corporation of disconnection of power supplies to Assam;

(b) if so, the precise nature and magnitude of the crisis and the extent of default in payments of dues by Assam Government; and

(c) the steps taken by the Union Government to intervene and help to resolve the issues?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (c): The North Eastern ElectricCorporation (NEEPCO) had issued notices to all beneficiary States in the North Easternregion including Assam for regulation of power supply with effect from 1.6.2000, if the outstanding dues are not settled by them. NEEPCO has taken this action because all efforts made by it to pursuade States/SEBs in the region to liquidate arrears didnot yield any result. As on 31.7.2000, a sum of Rs. 667.58 crores is outstanding against Assam State Electricity Board(ASEB).

Subsequently, a s a result of a Public Interest Litigation, the Guwahati High Court passed a n order dated 1.6.2000 restraining NEEPCO from regulating power.The Court vide its further Order dated 16.6.2000 directed the Assam Government and the ASEB to pay Rs. 50.00 crores to NEEPCOwithin a period of one month and to also file affidavit with the Court as to the liquidation of its dues in phased manner including opening of a Letter of Credit. The High Court has furtherasked Assam to consider the feasibility of taking up with the Central Government the issue of increase in the percentage of Central deduction to be directly paid to NEEPCO against the outstanding dues. No proposal in this regard has been received in the Ministry of Power from State Government of Assam/ASEB.

On further hearing before the Hon`ble HighCourt on 26.7.2000 the parties concerned had made a suggestion that NEEPCO, ASEB and the State Government of Assam would sit together and formulate a scheme for the purpose of liquidation of the arrears as well as for the payment of current dues. High Court accordingly vide its Order dated 26.7.2000 allowed the above parties t o chalk out a schemes within a period of two months. The matter is expected to be heared by the High Court after two months.